

# **TOWN OF DAVIE TOWN COUNCIL AGENDA REPORT**

**TO:** Mayor and Councilmembers

**FROM/PHONE:** William W. Ackerman, CPA, Budget & Finance Director/797-1050

**PREPARED BY:** William W. Ackerman, CPA, Budget & Finance Director

**SUBJECT:** Resolution

**AFFECTED DISTRICT:** N/A

**ITEM REQUEST:** **Schedule for Council Meeting**

**TITLE OF AGENDA ITEM:** APPOINTMENT OF TRUSTEE - A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, APPOINTING RELIANCE TRUST COMPANY AS TRUSTEE FOR THE TOWN OF DAVIE DEFERRED COMPENSATION PLAN; AND PROVIDING AN EFFECTIVE DATE.

**REPORT IN BRIEF:** The Town of Davie provides a voluntary deferred compensation plan for its employees. Related to a portion of Princeton Retirement Group, Inc. being acquired by Hartford Financial Services, LLC it is necessary to officially change the Plan Trustee. Princeton Retirement Group used its affiliate, Merrill Lynch Bank and Trust Co. as the Plan Trustee which must now be changed to Hartford's affiliate, Reliance Trust Company. The attached document will authorize Reliance Trust Company to act as the successor Trustee for the Town of Davie Deferred Compensation Plan. A letter from the Town's new record keeper, Hartford Retirement Services, LLC is attached to the agenda report as well as a copy of Merrill Lynch's notice of resignation.

**PREVIOUS ACTIONS:** Town Council previously approved resolution R-2007-089 on April 4, 2007 appointing Merrill Lynch as the Trustee.

**CONCURRENCES:** The Town Attorney has reviewed the documents.

**FISCAL IMPACT:** not applicable

Has request been budgeted? n/a

**RECOMMENDATION(S):** Motion to approve resolution

**Attachment(s):** Resolution, Letter from Hartford Retirement Services, LLC, Notice of Resignation, Exhibit "A"

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, APPOINTING RELIANCE TRUST COMPANY AS TRUSTEE FOR THE TOWN OF DAVIE DEFERRED COMPENSATION PLAN; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town provides a voluntary Deferred Compensation plan, as provided for in the Internal Revenue Code §457, for all its employees; and

WHEREAS, Hartford Financial Services, LLC acquired a portion of Princeton Retirement Group, Inc.'s ("PRG") recordkeeping business and its affiliate, Hartford Retirement Services, LLC, became the recordkeeper for The Town of Davie, Florida Deferred Compensation Plan (the "Plan"); and

WHEREAS, the current trustee, Merrill Lynch Bank and Trust Co., FSB (f/k/a Merrill Lynch Trust Company, "MLTC"), has notified the Town that they are resigning as the trustee due to the sale of Princeton Retirement Group; and

WHEREAS, as a result of the sale of PRG's business, it is necessary to appoint Reliance Trust Company as successor Trustee of the trust for the Town of Davie Deferred Compensation Plan; and  
NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

Section 1: That MLTC is hereby removed as Trustee of the trust for the Plan, and that Reliance Trust Company is hereby appointed as successor Trustee for the trust for the Plan as per the attached Exhibit "A"; and

Section 2: That the proper officers of the Town of Davie (the "Employer") are hereby authorized, empowered and directed to execute any and all documents required to effectuate each removal and appointment, including but not limited to the enclosed Trustee Removal and Appointment, and to take such actions as are necessary, appropriate or advisable to effectuate the foregoing resolution or other such matters pertaining to the Trust.

Section 3: This resolution shall take effect immediately upon execution.

PASSED AND ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2008

\_\_\_\_\_  
MAYOR/COUNCILMEMBER

Attest:

\_\_\_\_\_  
Town Clerk

APPROVED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2008

Hartford Retirement Services, LLC  
400 Colony Square, Suite 2200 - 1201 Peachtree Street NE  
Atlanta, GA 30361



May 1, 2008

Via Overnight Mail

The Town of Davie, Florida  
c/o Raquel Gray  
6591 Orange Drive  
Davie, Florida 33314-3399

**Re: Urgent Communication - Immediate Action Required Regarding  
The Town of Davie, Florida Deferred Compensation Plan**

Dear Plan Sponsor,

As you know, Hartford Financial Services, LLC (together with its affiliates, "The Hartford") purchased a portion of Princeton Retirement Group, Inc.'s defined contribution business, effective as of March 28, 2008. As a result, Hartford Retirement Services, LLC now provides the recordkeeping services for your Plan, and we are offering a new bundled solution for your trustee and custodian needs.

As a result of the sale of its affiliate's business, Merrill Lynch Bank and Trust Co., FSB (f/k/a Merrill Lynch Trust Company, "MLTC") will no longer serve as trustee or custodian for Hartford customers. Our records indicate that MLTC serves as directed Trustee for your Plan. Please see the enclosed Notice of Resignation.

At Hartford's request, Reliance Trust Company ("RTC") has agreed to serve as successor directed Trustee for Hartford customers currently serviced by MLTC. To facilitate a prompt transition to RTC, we have enclosed a Trustee Removal and Appointment to enable you to remove MLTC as directed Trustee for your Plan and appoint RTC as successor directed Trustee for your Plan.

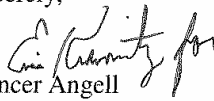
RTC is a subsidiary of the privately held Reliance Financial Corporation and is one of the largest independent trust companies in the country with more than \$53 billion in assets under management and administration. Founded in 1975 and organized as a bank and trust company in 1981, RTC is headquartered in Atlanta, GA, and is a leading provider of financial services to individuals, corporate and institutional clients. For more information, please visit RTC's Web site at [www.relico.com](http://www.relico.com).

**If RTC is acceptable as successor Trustee for your Plan, please take the necessary steps to execute and return the enclosed (1) Trustee Removal and Appointment, and (2) Resolutions (or other applicable document reflecting corporate action) by June 1, 2008.**

Once we receive your executed Trustee Removal and Appointment document, we will provide you with new bank account information for the remittance of plan contributions. Our records indicate that you utilize custom plan documents for your Plans; you wish to consult with your counsel to determine if any other actions, including plan amendment and summary of material modification, are required to reflect this change.

Please contact me immediately with any questions or concerns at 336-794-5507. Thank you in advance for your prompt action on this urgent matter.

Sincerely,

  
Spencer Angell



**THE TOWN OF DAVIE, FLORIDA DEFERRED COMPENSATION PLAN**

**NOTICE OF RESIGNATION**

Pursuant to Article X of the trust agreement dated as of March 8, 2004 by and between the Town of Davie, Florida (the "Employer") and AMVESCAP National Trust Company (the "Trustee") associated with The Town of Davie, Florida Deferred Compensation Plan (the "Plan"), the Trustee, Merrill Lynch Bank and Trust Co., FSB (f/k/a Merrill Lynch Trust Company), hereby provides notice to the Employer of its resignation, effective as of August 1, 2008.

**MERRILL LYNCH BANK AND TRUST CO., FSB**

Linda McDougald

Name of Authorized Signer

Trust Officer

Title of Authorized Signer

Linda W. McDougald

Signature

## EXHIBIT “A”

### TRUSTEE REMOVAL AND APPOINTMENT

**WHEREAS**, pursuant to Article X of the trust agreement dated as of March 8, 2004 by and between The Town of Davie, Florida (the “Employer”) and AMVESCAP National Trust Company (the “Trustee”) associated with The Town of Davie, Florida Deferred Compensation Plan (the “Plan”) (the “Trust Agreement”), the Employer has the authority to remove the Trustee and to appoint a successor trustee of the trust for the Plan; and

**WHEREAS**, Merrill Lynch Bank and Trust Co., FSB (f/k/a Merrill Lynch Trust Company, “MLTC”) currently serves as Trustee with custody of the Plan’s assets pursuant to the Appointment of Merrill Lynch Trust Company, FSB, as Trustee, effective as of the date set forth therein (the “MLTC Appointment”); and

**WHEREAS**, in connection with the change in the Plan’s recordkeeper from MLTC’s affiliate, Princeton Retirement Group, Inc. (“PRG”), to Hartford Retirement Services, LLC (together with its affiliates, “Hartford”) following Hartford’s purchase of a portion of PRG’s recordkeeping business, the Employer wishes to remove MLTC as Trustee for the Plan; and

**WHEREAS**, Reliance Trust Company (“RTC”) has agreed to serve as successor Trustee, as described in Section 403(a) of the Employee Retirement Income Security Act of 1974, as amended, for the Plan pursuant to the Trust Agreement, including but not limited to the MLTC Appointment; and

**WHEREAS**, the Employer wishes to so appoint RTC in order to enable Hartford to continue to operationally support the Plan.

#### **NOW THEREFORE:**

1. Removal of Trustee; Appointment of Successor Trustee. The Employer does hereby remove MLTC as Trustee for the Plan and appoints RTC as Trustee for the Plan, effective as of August 1, 2008 or such other date as may be agreed to by the Employer, MLTC and RTC (the “Effective Date”).
2. Acceptance by RTC. Subject to MLTC’s satisfaction of any requirements identified in the Trust Agreement to accomplish its removal and RTC’s appointment, RTC does hereby accept its appointment as successor directed Trustee for the Plan and will accept the Plan’s assets as soon as practicable following the Effective Date.
3. Reliance on Existing Documents and Direction. The Employer hereby acknowledges and agrees that RTC shall, as of the Effective Date, be a party to and entitled to rely on: (a) the provisions of the existing Trust Agreement including but not limited to the MLTC Appointment, (b) any funding policy on file for the Plan, and (c) any existing investment direction on file for the Plan. The Employer hereby confirms and directs RTC that it may continue to accept from and rely on the direction of the individuals identified on the page titled “Specimen Signature Document” currently on file with Hartford.
4. Necessary Actions. The Employer hereby directs Hartford Retirement Services, LLC (“Hartford”), MLTC and RTC and their agents to take such nondiscretionary actions that they determine are reasonable and necessary to effectuate the removal and appointment accomplished hereunder. The Employer hereby directs that the re-titling of Plan’s securities account with GPC Securities, Inc. and any underlying mutual funds, self directed brokerage account and other plan investment options and the re-titling of any bank accounts associated with the Plan occur as soon as practicable following the Effective Date.

5. Counterparts. This Trustee Removal and Appointment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same instrument.

6. Hartford as Trust Agent. The Employer hereby acknowledges and agrees that, as recordkeeper for the Plan, Hartford shall, pursuant to one or more agreements between RTC and Hartford, provide administration services to RTC and, where appropriate, act as the agent for RTC for trustee and custodial administration functions and responsibilities, other than trustee administrative functions and responsibilities pertaining to employer stock and other unitized funding vehicles, assumed by RTC as directed Trustee.

[Remainder of page intentionally left blank]

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by:

**THE TOWN OF DAVIE, FLORIDA**

\_\_\_\_\_  
Name of Authorized Signer

\_\_\_\_\_  
Title of Authorized Signer

\_\_\_\_\_  
Signature

**ACCEPTANCE BY RELIANCE TRUST COMPANY**

\_\_\_\_\_  
Name of Authorized Signer

\_\_\_\_\_  
Title of Authorized Signer

\_\_\_\_\_  
Signature

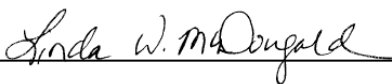
**ACKNOWLEDGED AND AGREED BY MERRILL LYNCH BANK AND TRUST CO., FSB**

Linda McDougald

Name of Authorized Signer

Trust Officer

Title of Authorized Signer



Signature